

Missouri Cannabis Firms Fined for Interstate Clone Violations

Missouri Cannabis Regulators Fine Cultivators for Violating the “Immaculate Conception” Rule

At least seven marijuana cultivation facilities in Missouri have been fined over the past year for violating what regulators and industry insiders refer to as the “immaculate conception rule,” a little-known allowance that governs how cannabis growers establish their initial plant inventory.

Because marijuana remains illegal under federal law, cannabis products cannot cross state lines, and Missouri law requires that all marijuana sold in the state be grown within its borders. However, Missouri regulations allow cultivators a limited grace period after passing their commencement inspection during which the state does not scrutinize how the initial inventory is sourced.

That one-year window, informally known as the immaculate conception rule, effectively gives regulators latitude to look the other way as facilities establish their first generation of plants. After that period ends, however, strict seed-to-sale tracking rules apply.

Six cultivation facilities were fined last year for violating those requirements, with penalties reaching as high as \$500,000.

Regulators Say Some Licensees Misunderstood the Rules on Clones and Tissue Cultures

According to the Missouri Division of Cannabis Regulation, enforcement actions stemmed from confusion among licensees about what is allowed after that initial grace period expires.

“Regulators discovered some licensees believed they were permitted to bring in clones or tissue cultures as well as seeds on an ongoing basis,” a division spokesperson said. “However, this practice is a violation of seed-to-sale tracking regulations.”

To meet customer demand and keep pace with popular strains emerging in other legal markets, several Missouri cultivators continued importing clones starter plants genetically identical to a mature plant or tissue cultures, a form of in-vitro propagation, from out of state.

Those practices, while common in more mature cannabis markets, violate Missouri’s requirement that all cannabis plants originate from seed or licensed in-state sources after the first year of operation.

Fines Ranged From \$50,000 to \$500,000 Depending on Scope and Circumstances

Rather than pursuing additional penalties or license suspensions, Missouri regulators opted to resolve the violations through financial settlements.

“In lieu of penalties or other enforcement action, these violations were resolved for amounts ranging from \$50,000 to \$500,000, depending on the circumstances,” said Lisa Cox, spokeswoman for the Missouri Department of Health and Senior Services, which oversees cannabis regulation.

Some of the largest fines were levied against multistate operators with significant footprints outside Missouri.

The combined penalty for four cultivation licenses associated with Good Day Farm and Codes—companies that share management—totaled \$347,495. Those facilities are located in Columbia, Carrollton and Chaffee.

High Profile, another multistate operator, was fined \$500,000 for violations at its O’Fallon cultivation facility.

Two smaller Missouri cultivators were fined \$20,000 and \$50,000, respectively. None of the licensees cited by the state responded to requests for comment.

How Missouri’s “Mother Plant” Rules Create Challenges for Cultivators

Under Missouri law, licensed cultivation facilities grow cannabis plants and send harvested material to manufacturers, which produce pre-rolls, edibles, concentrates and other products.

Many cultivators rely on “mother plants,” mature cannabis plants used to generate clones. Clones are cuttings taken from the mother plant and grown into genetically identical plants, ensuring consistent quality and predictable yields.

But the regulatory gray area arises when determining how those original mother plants are established.

“For a facility’s first year, the rules and law are silent on how that occurs,” Cox said.

After that initial year, cultivators must either grow plants from seed, request state approval to import seeds for ongoing inventory needs, or obtain clones from other licensed cultivators located within Missouri.

Failure to follow those requirements led to last year’s enforcement actions.

Cannabis Educators Say Starting From Seed Slows Production but Isn’t a Dealbreaker

Ryan Schepers, an instructor in St. Louis Community College’s cannabis program, said starting from seed is not inherently problematic from a horticultural perspective.

“As a plant nerd, I don’t believe starting from seed is necessarily a difficult thing or a bad thing for the industry’s innovation,” Schepers said.

However, many commercial cultivation facilities are designed to care for established plants rather than seedlings, which can present operational challenges.

The biggest downside, Schepers said, is time. It can take four to six weeks for a cannabis plant to become well established, creating delays that can affect production schedules and product availability.

“Clones are obviously much easier to deal with,” he said, noting that tissue cultures require similar timelines to seed sprouting.

Keeping Up With Trends While Navigating Strict State and Federal Laws

Schepers acknowledged that Missouri cultivators face pressure to keep up with popular strains and products that gain traction in markets such as California or Colorado.

“If a product is selling really well in California, of course we’re going to try to get that same thing in Missouri,” he said.

But Missouri’s restrictions may discourage experimentation and innovation, particularly when cultivators must restart genetics from seed rather than importing proven varieties.

For the sake of his students, Schepers hopes the industry will increasingly focus on breeding, research and plant science.

“We really emphasize that our students be plant scientists who focus on cannabis,” he said.

Federal Uncertainty Leaves the Door Open but Not Yet

The Missouri Division of Cannabis Regulation said it has explored whether future policy changes could allow more flexibility around clones and tissue cultures.

“The department was considering guidance from the DEA that indicated clones may no longer be considered marijuana under federal law due to low Delta-9 THC concentrations,” Cox said.

However, she added that recent federal changes specifically new hemp restrictions included in last year’s federal spending package and set to take effect in November could alter how seeds and clones are classified.

“As federal guidance and interpretation develop over the next year,” Cox said, “the department will need to follow how that evolves before making any changes to rules or processes.”

For now, Missouri regulators have sent a clear message: cannabis must be conceived, cultivated and tracked entirely within state lines.

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